

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY,
INDIANA, WILL HOLD A SPECIAL COUNCIL MEETING IN THE THIRD
FLOOR ASSEMBLY ROOM OF THE CITY/COUNTY BUILDING ON
THURSDAY, DECEMBER 27, 2007 AT 4:00 P.M.**

The meeting of the **New Albany City Council** was called to order by Vice-President Dan Coffey at 4:00 p.m. The meeting opened with the Lords Prayer and the Pledge of Allegiance.

MEMBERS PRESENT: Mr. Coffey, Mr. Schmidt, Mr. Price, Mrs. Crump, Mr. Gahan, Mr. Blevins, Mr. Messer and Mr. Zurschmiede.

OTHERS: Council Attorney Jerry Ulrich and Deputy City Clerk Mindy Milburn

ALSO: Mayor James Garner, City Controller Kay Garry.

COMMUNICATIONS – PUBLIC:

Randy Smith Elm Street explained that he has received calls on the Haven House issue and stated that the allegations and charges are very snake like and he noticed that no one else is here to speak against it. He broke down the amount of money that would be going to the Haven House and stated that he is here to urge the council to pass this resolution and he would like to applaud the Haven House for the services that they have provided for the last four years without any financial help from the City.

Mr. Coffey stated that he is glad he came to speak because he has received calls about this as well and he feels that it says a lot that there aren't any of the people here to air those allegations in public.

COMMUNICATONS CITY OFFICIALS:

Mr. Blevins apologized to the Council and to the public for his behavior at the previous meeting and stated that he should have respected the right of a fellow council member to table an item even if it meant a great deal to him personally

Mr. Schmidt asked Mrs. Garry about the salary ordinance.

Mrs. Garry addressed the salary ordinance and stated that she called Charlie Pride from State Board of Accounts and asked if it can be raised up to a new pay scale if it was advertised differently and she was told that they can do this by December 31, 2007. She stated that when she was approached to raise the Mayor's salary she called Mr. Pride because she said she didn't think she could take that on herself and that is what she was told by Mr. Pride that the can do this by 2007 but not in 2008.

Mr. Coffey stated that he wanted this money to definitely come out from the sewer money but wanted to make sure that if they pass this they won't be getting any extra from the sewers

Mrs. Garry stated that if they look at the original copy it states that the money will not come from the sewers and the City Clerk is being brought to zero as well. She stated that the ordinance doesn't say anything about the Mayor and if they want they can strike all the appointments and then make other arrangements to pay the members if there is a board in 2008

Mrs. Crump asked what would keep the next Mayor from sitting on the board and taking even more money.

Mrs. Garry said this is something that is passed every 4 years and that it doesn't carry over so it is ultimately in their control. She explained that the Mayor was taken out of that on the salary ordinance completely and that is the only ordinance she can speak to.

INTRODUCTION OF ORDINANCES AND RESOLUTIONS: READING

R-07-45 Resolution to Provide Funding to Haven House for the Zurschmiede
Provisions of Homeless Services

Mr. Zurschmiede moved to introduce R-07-45 as amended, Mr. Coffey second, all voted in favor.

Mr. Zurschmiede stated that he thinks Mrs. Anderson is doing a commendable job but there is the fact that \$400,000 is owed in payroll taxes by the Haven House and he has some reservations about the City backing an organization that owes that much money. He stated that he is not denying that they are doing a wonderful job but he still has some concerns. He explained that he spoke with a council member from Jeffersonville and was told by this councilman that he would not back funding for the Haven House.

Mr. Coffey asked if it could be amended that the money could not be used to pay that debt.

Mr. Ulrich stated that if they allocate money to Haven House no matter what conditions they put on it; it can be intercepted by a judgment creditor.

Mr. Price stated that he had some calls regarding the Haven House as well and explained that he has a copy of the I90 forms and he has some questions. He stated that from 1998-2002 they collected \$2.5M in contributions but in 2005 the contribution went down to \$1.M in a 4 year period. He explained that in the 2002 salary report they took out 90,000 for salaries and then in 2005 salaries went up over 125,000 and that shoots up some red flags that they would raise salaries when they are financially strapped.

Mrs. Anderson stated that she is not pretending that they have not had some financial issues and they can't make the council give the money to them, but they are here to ask them to do what is responsible because they have done right by the City of New Albany for years. She stated that they didn't have to be in this situation but in 2004 they lost a grant which should have caused them to close their doors but they kept trying to serve the community and this is where they are now and she stated that if they want to do it on a monthly basis with claims attached that would be fine with her. She explained that the only other option is to not give them the money and then they will not have a shelter.

Mr. Blevins asked what they were supposed to do, not feed the ones that were in their shelter. He argued that sometimes the government has to take a backseat because people need the necessities of life. He stated that he doesn't know the answer but if it can put a meal on the table for another kid then it is worth it. He explained that that they could break it out into claims that any money owed from the Haven House would come from the money that was granted to them by this resolution.

Mr. Coffey stated that sometimes when you are dealing with the less fortunate it is someone with a big heart and you can't turn people down and we all need to realize that money is tight with the government now. He stated that the bottom line is they close the doors or own up, but the Haven House has been taking care of the poor in New Albany for a long time.

Mrs. Crump asked if the Jeffersonville councilman gave specifics as to why they hadn't or wouldn't fund the organization

Mr. Zurschmiede stated that he did not give any specifics.

Mrs. Anderson stated that is one councilman's opinion and that another council member was quoted on record as saying that they would fund the Haven House and they have given them money in the past in the form of a grant and a forgiven loan. She stated that Jeffersonville has carried the burden of this facility and New Albany hasn't contributed.

There was a lengthy discussion between Mrs. Anderson and Mr. Price about Mrs. Anderson's salary and the back pay that was owed to employees.

Mr. Zurschmiede stated that he is not disputing what they are doing but they have a responsibility to all the citizens of New Albany and he is not sure it is wise to give money to an organization that is not financially responsible. He stated that Mrs. Anderson told him that she has a plan to work with the IRS and if she would liquidate her properties and get out of their situation then he would be more than willing to give it to her. He stated that she told him that federal funding is being cut all over and two days later he reads about a homeless shelter in Louisville that gets a record amount of funding from the government so he thinks that the money is there but they just aren't eligible because of the situation they have with the payroll taxes.

Mrs. Anderson stated that they actually have gotten a grant and it was re-continued this year. She explained the difference between Louisville and New Albany and stated that it would be wonderful if New Albany was eligible for those dollars but they aren't. Their funds are restricted and get cut every year.

Mrs. Crump stated that she hates not to give them anything and asked if they could give them a smaller amount and then give them a chance to prove that they are working to alleviate their debt, and then the council could make a decision to give them more funding after they have shown their progress.

Mr. Messer said any money given today can be snatched by the IRS

Mrs. Anderson stated that nothing has been seized from them as of today and they are working with the IRS to get out of their current financial situation. .

Mrs. Crump motioned to suspend the rules to have all three readings, Mr. Price second, all voted in favor.

Mrs. Crump motioned to amend the ordinance and give them \$5000 with the stipulation that they come back in 30 days to show the board what they have been doing to alleviate their financial situation, Mr. Messer second, all voted in favor

A-07-34	An Ordinance Amending Ordinance No. A-06-38 Setting Salaries for the Year 2008 for Non- Bargaining Unit Employees	Zurschmiede1
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Mrs. Crump moved to amend the agenda to suspend the rules to have all three readings, Mr. Price second, all voted in favor

Mr. Zurschmiede moved to introduce A-07-43, Mr. Gahan second, all voted in favor with the exception of Mr. Schmidt and Mr. Kochert who voted no. Bill No. A-07-34 becomes Ordinance No. A-07-60

G-07-20	An Ordinance Amending Sections Of Chapter 51.115: Establishment, Sewer Board Of The Code Of Ordinances, Pursuant To Authority Granted By Ic 36-9-23, <i>Et Seq.</i>	Gahan 1
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Mr. Gahan stated that this in regards to G-07-20 most of the feedback he has gotten is that the board is constitutionally incorrect and that the council members probably should not serve on this board and he would like to table it for now and let the new council review this and maybe even put this into a committee

Mr. Price moved to introduce G-07-19, Mr. Coffey second, all voted in favor except for Mrs. Crump, Mr. Messer and Mr. Zurschmiede who voted no. Bill G-07-19 becomes Ordinance No. G-07-62

Mrs. Crump asked if this would do away with the lawsuit.

Mr. Ulrich said it would not

Mr. Blevins asked what the purpose was of the last meeting with the judge and what they got out of it.

Mr. Ulrich stated that it was a hearing brought on by a motion that he had filed to compel enforcement of the settlement agreement because at the time the consent decree had not been signed off on by Mr. Beardsley He stated tht they had no objection to the settlement agreement but that the ordinance was 1) Technically defective and 2) Substantively Defective. The judge found it was technically defective because it was passed and signed within a calendar period when it should not have.

Mr. Kochert asked him to clarify that the ordinance was signed too early by the Mayor and had he not turned it in until the 7th everything would have been okay.

Mr. Ulrich stated that he doesn't know if it would have been okay but it would have definitely helped their case. He explained that the judge stated that they made a good faith effort but it was technically defective

Mr. Blevins asked if the ruling was because of the signage only and if the ordinance itself was ok according to the judge and if it had went to him the way it is now but everyone voted correctly and it was signed correctly would it be okay.

Mr. Ulrich stated if the plaintiff's object to this ordinance as it is now the judge will hear arguments on why it is not technically perfect, which means why aren't there the exact same number of voters per district, the judge indicated to them that if he is the one that rules on it that issue he would find that to be too much of a disparity.

Mr. Kochert stated that he didn't say too much of a disparity but that he didn't know if he would rule favorably.

Mr. Crump asked about the time frame to get this completed.

Mr. Ulrich stated that the judge gave them 60 days

Mr. Gahan asked if they could still be in the lawsuit either way.

Mr. Kochert stated that they are just trying to straighten up the numbers and if they straightened up the notice and then the ordinance being signed too early and once that is corrected as far as the magistrate goes they would be in compliance with what he suggested that they do.

Mr. Gahan asked if it would hurt their case if they move forward with this

Mr. Ulrich said no

Mr. Messer stated that they did have a piece of paper that the plaintiffs signed and they could have been done with this lawsuit and the judge isn't happy with this ordinance and if they don't rule in favor then they will still be dealing with it next year and they had to push this through at the last hour makes no sense and that they option to take care of this and they chose not to take it.

ADJOURN:

There being no further business to be heard, the meeting adjourned at 5:03 p.m.

Larry Kochert, President
Common Council, City of New Albany

ATTEST: _____
Mindy Milburn, Deputy City Clerk